

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



FOUNDATION



ANNUAL REPORT - REVISED

July 1, 2018 – June 30, 2019

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD

FOUNDATION

Annual Report

July 1, 2018 – June 30, 2019
Original Submission January 27, 2021

Table of Contents

EXECUTIVE SUMMARY.....	4
HIGHLIGHTS OF 2018-2019 FOUNDATION PROJECTS	4
INTRODUCTION.....	5
ABOUT THE FOUNDATION	5
MISSION	5
HISTORY OF THE FOUNDATION.....	5
FINANCIAL SUMMARY	6
STATEMENT OF FINANCIAL POSITION.....	7
STATEMENT OF ACTIVITY	8
UNDERWRITERS	9
FOUNDATION UNDERWRITERS	10
PROJECT SUMMARIES	11
SPIRIT OF SONOMA COUNTY	12
SPECIAL EVENTS	14
BOARD OF DIRECTORS	16
FOUNDATION BOARD MEMBERS.....	16
LEGAL SERVICES	16
FINANCIAL SERVICES	16
ATTACHMENT A: CERTIFICATION OF FINANCIAL STATEMENTS.....	17

SONOMA COUNTY ECONOMIC DEVELOPMENT BOARD



FOUNDATION



January 27, 2021

Dear Colleagues,

We are pleased to present this annual summary of activities of the Sonoma County Economic Development Board Foundation (Foundation) for the year ending June 30, 2019. The Foundation's leadership continues to support the Economic Development Board (EDB) to ensure that the Foundation's efforts align with the mission and priorities of the EDB.

As we present the achievements of the projects held in fiscal year 2018-2019, the Board of Directors would like to thank our numerous sponsors and the County of Sonoma for their increasingly important efforts to improve the economic wellbeing of Sonoma County.

Kathryn Hecht
Chair of the Board of Directors

Sheba Person-Whitley
Executive Director

Executive Summary

The Sonoma County Economic Development Board Foundation (Foundation) continues to make strong connections between community needs, county projects, and support from the business and philanthropic communities. The Foundation received and effectively managed \$497,381 in event revenue, donations and grants, supporting workshops, conferences, special events, quarterly and annual economic activity reports and forecasts and customized reports. Through events and sponsorship opportunities, the Foundation provides an excellent way for local businesses to showcase their services and network with other community leaders.

Highlights of 2018-2019 Foundation Projects

The **Creative Sonoma** program produced a full slate of professional trainings and workshops, grant making programs, and special initiatives. These activities were fully or partially covered through grants and donations received by the Foundation, which funded program expenses as well as staff costs. Professional development topics focused generally on the business aspects of art and included workshops on financial management for artists, selling creative work and products, managing nonprofit organizations, and more. Over \$99,000 in grants were disbursed to creative individuals, organizations, and businesses. In addition, a cohort of teaching artists received specialized training to address trauma of school-aged populations, and Creative Sonoma is funding free residencies with these artists to schools throughout the County.

Manufacturing Day seeks to inspire the next generation of Sonoma County manufacturers by supporting direct industry engagement with students, creating hands-on learning opportunities, and promoting education and training pathways that lead to careers in manufacturing. The 2018 event was held on October 19th and featured on-site tours of local manufacturer sites, panel discussions and hands-on activities for students.

In May 2019, the Outdoor Recreation Business Council hosted the first-ever **In Your Backyard Outdoor Recreation** event at Lynmar Estate. Bringing together outdoor recreation and hospitality sectors, the event provided a great opportunity for businesses to network, learn about new outdoor opportunities, and forge business partnerships. The keynote speaker was world-class climber and Sonoma County native Kevin Jorgeson who was recently featured in the documentary film *The Dawn Wall*. Prior to the event start, attendees participated in a complimentary Outdoor Adventure, including golf, kayaking, yoga, bike outing and guided garden tours, to showcase the breadth of outdoor offerings

Along with the year-end financial statements, the following pages summarize some of the Foundation's activities, detailed by program. While many of the projects will seek funding through the Foundation again in fiscal year 2019-2020, each year the Foundation Board evaluates the programs to ensure financial stability for the Foundation and the Economic Development Board.

Introduction

About the Foundation

The Foundation is a supporting organization that provides an alternative funding stream to EDB programs, relieving the burden on the limited funds of local government and strengthening community projects by managing funds from donors and foundations.

Mission

The Sonoma County Economic Development Board Foundation is a 501(c)(3) that through the creation, development and dissemination of economic research, analysis or programs enhances the value of local, domestic, and international demand for Sonoma County-produced goods and services.

History of the Foundation

On January 23, 2001, the Sonoma County Board of Supervisors approved the establishment of the Foundation to serve as a supporting organization to the EDB to expand funding sources available for EDB projects. In March 2001, the Foundation was incorporated as a California nonprofit public benefit corporation. During 2001, the Foundation Board of Directors elected officers and began formalizing procedures while awaiting review of its application for tax-exempt status. In February 2002, the Internal Revenue Service notified the Foundation of its approval of tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

In August 2002, the Foundation signed an Operational Memorandum of Understanding with the Sonoma County Board of Supervisors to formally define the relationship between the Foundation and the EDB, an agency of the County of Sonoma. Under that agreement, the Board of Supervisors oversees the Foundation's funding of EDB projects. In late August 2002, the Foundation began accepting funds and reviewing EDB projects in need of support.

In fiscal year 2002-2003, the Foundation's first year of operation, a great deal of care was taken to establish procedures that would guarantee steady and increasing support for EDB projects into the future. The Foundation continues to operate under the Operating Memorandum of Understanding and continues its efforts to create alternative revenue streams for EDB projects.

In September 2008, the Board of Supervisors approved the third Memorandum of Understanding which contains a clause for automatic annual renewal.

Financial Summary

This section contains information about the Foundation's finances.

Statement of Financial Position - REVISED

As of June 30, 2019

(Unaudited)

ASSETS

Current Assets

Cash and cash equivalents	\$	814,580
Short-term investments		26,144
Accounts receivable		2,803
Prepaid expenses		-

Total Current Assets		<u>843,527</u>
----------------------	--	----------------

TOTAL ASSETS	\$	<u><u>843,527</u></u>
--------------	----	-----------------------

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$	86,679
Deferred grants awarded		5,000
Deferred sponsorships		<u>7,500</u>

Total Current Liabilities		<u>99,179</u>
---------------------------	--	---------------

Net Assets

Unrestricted		9,725
Designated		438,097
Temporarily restricted		<u>296,526</u>

Total Net Assets		<u>744,349</u>
------------------	--	----------------

TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>843,527</u></u>
----------------------------------	----	-----------------------

Statement of Activity - REVISED
For the year ended June 30, 2019
(Unaudited)

	Unrestricted	Temporarily Restricted	Total
Revenues, Gains and Other Support			
Registration/participation fees	\$ 114,580	\$ -	\$ 114,580
Donations/sponsorships	106,529	18,646	125,175
Grants	1,000	256,625	257,625
Interest income	3,339	-	3,339
Net assets released from restrictions	2,728	(2,728)	-
Total Income	<u>228,176</u>	<u>272,543</u>	<u>500,719</u>
Expenses			
Program services			
Community outreach	93,954	337,464	431,418
Economic outlook	55,351	-	55,351
Research initiatives	59,526	-	59,526
Supporting services			
Administrative Services	17,349	-	17,349
Total Expenses	<u>226,180</u>	<u>337,464</u>	<u>563,644</u>
Change in Net Assets	1,996	(64,921)	(62,925)
Net Assets, Beginning of Year	<u>445,827</u>	<u>361,447</u>	<u>807,274</u>
Net Assets, End of Year	<u><u>\$ 447,823</u></u>	<u><u>\$ 296,526</u></u>	<u><u>\$ 744,349</u></u>

Underwriters

This section provides a list of the business, education, and community organizations that provided noteworthy contributions to the Foundation.

Foundation Underwriters

Foundation Level:

Luther Burbank Savings

Presenting Level:

City of Santa Rosa

Exchange Bank

Kaiser Permanente

Pure Luxury

Redwood Credit Union

Sonoma Speedway LLC

Tri Counties Bank

Premier Level:

Bank of Marin

Friedemann Goldberg

Sonoma Clean Power

Sonoma County Tourism Bureau

St. Joseph Health System

Executive Level:

American River Bank

Comcast

Keegan & Coppin

Midstate Construction

Morgan Stanley Wealth Management

North Bay Association of Realtors

Sonoma County Alliance

Summit State Bank

Vantreo Insurance Brokerage

Zainer Rinehart Clarke CPAs

Media Level:

North Bay Business Journal

Project Summaries

This section provides information on some of the projects funded through the Foundation. Together, the projects served many segments of Sonoma County, including public schools, public agencies, employers, and the business community and residents with an interest in the state of the County's economy.

Spirit of Sonoma County

Description

The annual *Spirit of Sonoma County* awards luncheon recognizes business leaders from major chambers and trade associations in the County. The annual awards ceremony attracted more than 350 people, honoring those awardees from 22 chambers and trade organizations chosen for their contributions to Sonoma County.

Program Goals

The *Spirit* awards honor those who contribute to the economic development and enhancement of the communities in which they live, work, and conduct business through generous donations of their time and expertise in support of local business and in helping others.

Achievements

In 2018-2019, the program celebrated its eighteenth anniversary, having honored over 370 local business men and women and community leaders since its inception. The *Spirit of Sonoma County* awards program was started in 2001 with the assistance of banks, media, and elected officials in order to honor the selected award winners. The program grew from 18 area chambers and trade organizations recognizing a business leader from their group to the present 22 organizations involved. The *Spirit* luncheon is an excellent opportunity for local business leaders to receive countywide recognition.

Supporters

The *Spirit of Sonoma County* luncheon, ceremony, and awards are funded through registration fees paid by the participating organizations, corporate sponsors, and individuals who attend and/or sponsor tables. The 2018-2019 local organizations that chose to purchase tables in support of honorees included:

Cloverdale Chamber of Commerce
Geyserville Chamber of Commerce
NCECA
North Bay Association of Realtors
North Bay Leadership Council
North Coast Builders Exchange
Petaluma Area Chamber of Commerce
Rohnert Park Chamber of Commerce
Russian River Chamber of Commerce
Sebastopol Area Chamber of Commerce

Sonoma County Lodging Association
Sonoma County Winegrowers
Sonoma Valley Chamber of Commerce
West County Health Centers
Windsor Chamber of Commerce
Workforce Investment Board

Awards

The *Spirit of Sonoma County* awards recognized honorees from these 22 organizations:

Cloverdale Chamber of Commerce
Geyserville Chamber of Commerce
Healdsburg Chamber of Commerce
Hispanic Chamber of Commerce
Mark West Area Chamber of Commerce
North Bay Association of Realtors
North Bay Leadership Council
North Coast Builders Exchange
Northern California Engineering Contractors Association
Petaluma Area Chamber of Commerce
Rohnert Park Chamber of Commerce
Russian River Chamber of Commerce
Santa Rosa Metro Chamber of Commerce
Sebastopol Area Chamber of Commerce
Sonoma County Alliance
Sonoma County Farm Bureau
Sonoma County Lodging Association
Sonoma County Tourism
Sonoma County Winegrowers
Sonoma County Workforce Investment Board
Sonoma Valley Chamber of Commerce
Windsor Chamber of Commerce

Special Events

featuring Keynote Speakers

Description

In 2018-2019 the Foundation supported three special events featuring professional keynote speakers contributing to a variety of subjects. The speakers are selected keeping current affairs and issues in mind.

Program Goals

This speaker events series is intended to provide the business community with interesting speakers addressing matters related to the local economy, industry trends and common business interests.

Achievements

The **Fall Economic Forecast** is an annual event of the Foundation's Research Initiatives Program developed for local businesses, governments, and organizations for detailed regional analysis of economic trends. As part of the Research Initiatives Program benefits, sponsors are invited to the dinner held with the featured speaker, Dr. Christopher Thornberg, the night preceding his presentation. Dr. Thornberg presented an informative talk about California and Sonoma County, including GDP, foreign trade, industrial production, consumer spending, labor market, local economic performance, tourism and more. The total number of attendees at the event was 505 people. The pre-event dinner was held at Ca'Bianca Restaurant, and the event was held at the Doubletree Hotel in Rohnert Park, CA.

The **State of the County** is an annual event sponsored by the Economic Development Board (EDB) to present the current and future challenges facing the county in terms of growth and development, especially post-2017 wildfires. It was an opportunity for the County of Sonoma to showcase recovery efforts and what to expect in the upcoming year as recovery efforts continue. Attendance included over 550 people at this 16th annual breakfast.

Micah Weinberg, President of the Bay area Economic Council spoke at the **2019 Future of Work Spring Conference**. His keynote address focused on his research and perspective on regional and national workforce trends impacting our community.

The spring event included an introduction by Supervisor David Rabbitt and EDB's former Executive Director, Ben Stone, and a workforce-focused panel, moderated by Katie Greaves, County of Sonoma Employment and Training Division Director and Director of the Sonoma County Workforce Investment Board. The panel was comprised of principals from the local construction, healthcare, manufacturing, agriculture, and hospitality industries:

- Keith Woods, CEO, North Coast Builders Exchange

- Tarek Salaway, MHA, MPH, MA, Sr. VP / Area Manager, Kaiser Permanente
- Dominique Szarmach, PHR, VP, Talent Management, Cannacraft, Inc.
- Amelia Ceja, President & CEO, Ceja Vineyards
- Joe Bartolomei, Managing Partner, Farmhouse Inn & Restaurant

The event was well attended by various financial, construction, healthcare, tourism and government agencies.

Supporters

Each of these events was supported by both individual attendees and tables sponsored by local organizations and businesses.

Board of Directors

FOUNDATION BOARD MEMBERS

Officers: Kathryn Hecht, Chair
Wayne Leach, Vice-Chair
Linda Kachiu, Treasurer
Sheba Person-Whitley, Executive Director/Secretary

Members: Jorge Alcazar
Skip Brand
Pam Chanter
Terri Dente
Jordan Kivelstadt
Richard Marzo
Michael Nicholls

LEGAL SERVICES

The Foundation contracts with the Friedemann Goldberg LLP law firm to advise the Board of Directors on general legal matters, including state and federal law, relating to nonprofit tax-exempt organizations.

FINANCIAL SERVICES

The Foundation retained the services of Ms. Victoria Mwangi, Certified Public Accountant (CPA). The CPA assists with the Foundation's bookkeeping and prepares its tax documentation.



FOUNDATION



Attachment A

Certification of Financial Statements

The undersigned does hereby certify that:

1. She has been duly elected and qualified as, and at this date is, the Chair of the Board of Directors of the Sonoma County Economic Development Board Foundation (the "Foundation");
2. The financial statements contained in the Foundation's Annual Report, covering the period from July 1, 2018 to June 30, 2019, were prepared without audit from the books and records of the Foundation.

Signed: _____

Date: 03/23/2022

KATHRYN HECHT

Chair of the Board of Directors

Sonoma County Economic Development Board Foundation